

MINUTES
LEGISLATIVE GOVERNMENT OVERSIGHT COMMITTEE
May 8 & 9, 2006

The Legislative Government Oversight Committee met May 8, 2006, in the Supreme Court Chamber at the Capitol. Chair Senator Wieck called the meeting to order at 1:00 p.m. Other members present were:

Senator Tom Courtney, Chair
Senator Ron Wieck, Chair
Senator Michael Connolly
Senator Pat Ward

Representative Dwayne Alons, Chair
Representative Vicki Lensing, RM
Representative Clel Baudler
Representative Jamie Van Fossen
Representative Scott Raecker
Representative Roger Thomas
Representative Wes Whitehead

Testimony from John Bargman

Areas of inquiry by Committee Members included how bonus payments were established, authorized and historically paid out; how it was determined if adequate funding for the payments was available; whether the level of service provided to CIETC clients was impacted; a listing of "unknown" employees in the State Auditor's Report; relatively high bonus payment amounts to certain employment specialist positions at CIETC; CIETC Board Member involvement with CIETC; the existence and removal of a nepotism policy; travel expense approval and reimbursement procedures and amounts; insurance benefits, and lease expenses for relocated CIETC office space.

Committee members requested that a listing of CIETC employees at lower levels than Mr. Bargman and Ms. Cunningham receiving substantial bonuses, and a copy of the Personnel Policy Handbook, be obtained from CIETC. Mr. Bargman reiterated earlier testimony that bonus payment scheduling and amounts were established by Ms. Ramona Cunningham and approved by Mr. Archie Brooks without Mr. Bargman's involvement, and that his primary concern with regard to the payments was whether sufficient funds were available to cover the payments.

RECESSED

Senator Wieck recessed the meeting at 2:40 p.m.

May 9, 2006

Senator Wieck called the meeting to order at 9:10 a.m.

Testimony from Karen Tesdell

Areas of inquiry by Committee Members included; Ms. Tesdell's employment and compensation history; her accounting experience; her responsibilities at CIETC; timesheet and payroll authorization procedures; personnel responsible for the authorization, bonus and regular compensation check issuance and timing; life insurance coverage and beneficiary designation; Ms. Tesdell's personal opinion as to who might be responsible for the decision to distribute the frequent high bonus payments; the fact that she did not receive a copy of the 2004 State Auditor's report; her recollection of the circumstances surrounding the June 30, 2005 payment of \$200,000 for bonus payments; rationale for her decision not to voice concern relating to bonus payment frequency and amounts; her recent retirement and a delay in IPERS approval on the part of CIETC; the contract with Mr. Bargman's spouse to establish a new accounting software system; and the various sources of funding flowing into CIETC.

Committee members requested that the payroll clerk for CIETC be added to the list of individuals slated to appear before the Committee.

PROCEDURAL ASPECTS

The Committee discussed alternative scheduling possibilities for meetings during the 2006 legislative interim; eventually scheduling meetings for the succeeding two weeks, with future meetings to be determined after evaluation of where the committee stands at that point.

Committee members approved a motion to amend the Committee rules permitting the Committee to meet with seven members in attendance rather than eight in the event of the sudden illness or suffering of an accident by a member who had planned to attend.

ADDITIONAL INFORMATION

Committee meetings involving CIETC are being recorded, and can be linked via the opening page of the General Assembly internet homepage. A website address for the recorded meetings is: http://www4.legis.state.ia.us/lfb/SubCom/related_links/Oversight_Recordings.html.

NEXT MEETINGS

The committee is scheduled to meet May 15 and 16, 2006, and May 22 and 23, 2006, in the Supreme Court Chamber of the Statehouse. The meeting will commence at 11:00 a.m. on May 15 and 22, 2006, and 9:00 a.m. on May 16 and 23, 2006.

ADJOURNED

Senator Wieck adjourned the meeting at 12:00 p.m.